

Jesus: the CEO

Can He fix the economy
and save your job?

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Jesus the CEO: *Old Testament Resources*

Many voices speak about the economy, how does God fit in?

Politicians, Professors, CEO's, Tea Partiers, and Wall St. Occupiers all speak on the economy. Can Jesus speak as well? We believe He entered history for our salvation, therefore we believe His life has practical value for every problem and His resurrection affirms it is authoritative for all times.

Jesus gave His authority to the Church to teach all people, *even kings*.

Never before in history had there ever been a rival legal authority to kings, yet kings accepted Church authority to speak even on secular matters. Even our own First Amendment affirms our right to the "free exercise" of our faith: to freely speak and act on our values.

Genesis economy: God creates us in His image. (*Imago Dei*) *Gen. 1:26*

God imagines, creates, and takes a risk on our creation. Therefore, in His image, we can also imagine, create, take intelligent risks, and accept the consequences of our freely chosen actions.

Genesis reveals we were made with, among others, the virtues listed below. They are moral "ingredients" of what it means to be a human person, and are moral absolutes. It is always moral to affirm them and immoral to hinder. (Those who say there is no absolute truth have affirmed something they believe to be, absolutely true!)

- **Free:** we can freely choose our own actions, and we must take responsibility for their consequences. *Gen. 2:16*
- **Equal:** we have equal dignity before God but not equal talents or abilities. *Gen. 1:27, 2:23*
- **Good:** we are good because we are loved by God, yet we can also improve our life and our circumstances. *Gen. 1:31*
- **Helpers:** we are social beings and oriented to courageous compassion for each other. *Gen. 2:18*
- **Balance:** There is behavior appropriate to God and behavior appropriate for us. We do not attempt to become God.
- **Worship:** "Thou shalt have no gods before me." - The First Commandment.

God "owns" creation but risks giving it to us to do good, *Gen. 1:29, 2:8*

All of creation is our "possession" or "private property" that we have a God-given freedom to use for good purposes that we freely choose. The word "economy" comes from the Greek words, oikos (house) + nomos (rule), which together mean a kind of "stewardship." We care for *and* rule creation for a morally good result. *Gen. 1:28, 2:15*

We are responsible to God for our behavior, which requires we are free to choose how we use our possessions. Economies that ensure private property, freedom, responsibility, and acceptance of consequences of our actions best reflect these Genesis traditions.

God takes a "risk" in creating us with free will because we can choose badly, and avoid responsibility for developing our life or our possessions well. We should not "return" this gift of life or His creation back to God less than what He gave us, which is what sin does. That we can sin is part of the "risk" God took. *Gen. 3:12-16*

Sin brings selfishness and poverty which pre-exist any economic system.

Adam and Eve desired to be gods rather than the human beings God designed them to be, and then shifted responsibility to each other. We still have this choice today; to be responsible or selfish.

Sin is the cause of poverty, not economic systems! We can use what we have for appropriate self-interest purposes, such as caring for our self, our family, and our community, or selfish purposes, such as greed, self-indulgence, taking bribes, stealing profits, breaking contracts, mistreating customers, polluting the environment, cutting quality and safety, and exploiting workers. No economic system can remove sin, but the best systems limit the overall impact of sinful behavior.

Exodus economy (Ex. 5:1)

The Israelites left Egypt for *religious* freedom, not freedom from slavery or work! They would not stay and work where they could not worship God freely, and so they left Egypt for the Promised Land, which reveals the importance of faith to form honest character and good virtues in any economic system.

Jesus the CEO: *New Testament Resources*

Jesus and the creative spirit of being made in the “Imago Dei”

Scripture praises the entrepreneurial or creative use of our talents to produce something good which fulfills our human vocation and dignity. We should pursue the good kind of “self-interest” that helps our self to grow, our family to prosper, and our community to flourish.

Investing talents to make more talents; Mt. 25:14, Lk. 19:11

Improving an unproductive fig tree; Lk. 13:6

Using things for something good and not storing them Lk. 12:16

Dividing private property as owner freely chooses; Lk. 15:11

Borrowing money vs. virtues: wise/foolish virgins; Mt. 25:1

Working or don't eat! Cannot “freeload” 2 Thess. 3:10

Entrepreneurial alertness to opportunities increases prosperity.

Seeking the hidden treasure in a field; Mt. 13:44

Seeking the lost coin; Lk. 15:8

Enterprising and hard working steward about to be fired; Lk. 16:1

Watching and alert wise steward at work; Lk. 12:42

Knowing the signs that summer is coming; Lk. 21:29, 21:34

Watching and responsible servants Lk. 12:35, Mt. 24:25

Rendering to Caesar and rendering to God; Mk. 12:17

Entrepreneurs take a risk which means they must work for some period of time and yet wait for results that are not guaranteed. This develops patience, courage, endurance, delay of gratification, discipline, and the ability to accurately and reasonably assess and predict the future.

Predicting the results of different sowing on land, Luke 8:5

Not knowing how the sowing will turn out, Mark 4:26-34

Jesus and helping the poor

While all have the same human dignity before God and each other, not everyone has the same abilities and talents. Some will not prosper as much as others. Some will suffer misfortune or become victims of crime or corruption. We should give emergency help to those in dire need, either directly or to institutions that offer comprehensive help to the poor, but not in a way that creates a growing dependency on aid or takes away our responsibility for our self development.

Giving water to the thirsty: Final Judgment question. Matt. 25:31

Helping a victim: The Good Samaritan. Lk. 10:25

Noticing the poor in front of us: The rich man & Lazarus. Lk. 16:19

Investing of self completely for others. The widows mite; Lk. 21:1

Giving entire self: rich young man. Lk. 18:18, Mk. 10:17, Mt. 19:16

Giving to the poor: not just to feel good about ourselves. Mt. 6:1

Freeing the son to find his way. The prodigal father and son. Lk. 15:11

The freedom to develop ourselves as the person God created us to be underlies all social, cultural, and especially economic activity.

We must create economies that restore God's original purpose in Genesis and Exodus, which means economies must safeguard private property, ensure freedom, creativity, responsibility, accountability, free choices, equal dignity, goodness, solidarity to help others, and our freedom to worship God. Economies must allow the freedom to take risk as well as enjoy or suffer the consequences of that risk.

The entire story of salvation in the Old and New Testaments reveals the actions of God who comes in every age and culture, despite our bad choices and sinful behavior, to teach us the way to joy that is complete and a life that is full. (**Jn. 10:10 & Jn. 15:11**) The economy should help protect our “life, liberty, and the pursuit of happiness.”

Jesus the CEO: *What is creative work done “in the image of God” (Imago Dei)*

What is the meaning of my “receiving all of creation as a gift?”

We did not create ourselves or this world, but found ourselves in it as a gift from God and as stewards of His property to do good with it.

What do I actually “have?”

My life as I find it; I am here in the world by God’s will.

My ability and skills; I am here today as I have developed myself.

My property and possessions; I must use them for some good.

My sociability; I am here to work well with others.

My true possessions are my character and personality that I develop. Everything else, including health, can be lost, stolen, or destroyed. None “goes with you” to God. **Lk. 12:33**

What is the Catholic idea of “work” that grows wealth and the economy?

Work is the creative action on who I am and what I have that enhances our human dignity and “Garden virtues.” Work can express love for others, enhance personal growth, and improve society.

An entrepreneurial spirit discovers new opportunities and develops new products that people want to buy, which creates a growing economy. Instead of building a product from scratch, entrepreneurs divide labor among several workers, who work in solidarity together, which enables economy of scale and increased production. If people want the product and buy it, that increases commerce. Market forces encourage better and larger production, causing lower prices, and even more customers. The consequence of buying and selling better and more products is a growing economy and the increase of wealth for everyone.

Supply alone is not good if people do not demand the product, and demand alone does not justify making new supply. For example, there is a moral difference between selling illegal drugs that damage our health and selling life-saving drugs which heal us, even if both have market demand. Sinful motives can even create demand for products that are against our best interests.

What is an “Entrepreneur Personality in our economy?” (*Imago Dei*)

A person who is imaginative, creative, productive, courageous, and intelligently risk-taking, who discovers and develops new markets. Everyone in the economy can exercise these “Imago Dei” skills

Entrepreneurs: discover & develop better market opportunities.

Managers: discover & develop better organizing labor/materials

Workers: discover & develop better methods of production.

Customers: discover & develop better products/places to shop.

Shareholders: discover & develop better stock opportunities.

Stakeholders: discover & develop better help for communities

A combination of all of these forces can produce a true growing and “Catholic” economy. Each person is exercising all of their creative energies for a good result. Whatever inappropriately hinders their progress can actually cause poverty and suffering.

Entrepreneurs add value with better items that people will buy or better skills that employers will hire.

Entrepreneurs make something new, better, and desired. God created a world that constantly adds value to itself (evolution). For example;

- Matter becomes life, then human life, and then spiritual life.
- Single people marry, have a family, which then forms a society.
- God and man together add value at Mass: wheat & grapes become bread & wine, which become the Body & Blood of Our Lord, which then transforms those who receive it.
- We secure our job by showing how we add value to the work of our company.

Where does this work in the economy actually happen?

Companies and corporations: are associations of many people from different cultures, ages, genders, geographical areas, and creeds who voluntarily unite to work together and collaborate on what they have, either materials or knowledge, and produce something good that people will buy and adds value to the customer, worker, and owner as well as enhances the dignity and prosperity of all.

Jesus the CEO: *Pope John Paul II & Pope Benedict XVI on the economy*

Pope John Paul II, Pope Benedict, and the Free Market

Starting in 1891, different Popes have examined the economies of each decade. Recently, JP II wrote *Centesimus Annus (CA)* and Benedict wrote *Caritas et Veritate (CV)*. All Popes have affirmed the economy is a life and death issue for those who want to live, prosper, and care for their families. All affirm it is truth that will set us free, **Jn. 8:32**. In recent areas we should expect honest answers.

- Can we spend money we don't have? (*US & Eurozone debt*)
- Can people afford home loans? (*housing market bubble*)
- Can private risk be assigned to taxpayers? (*bailouts*)
- Can CEO's be accountable? (*salaries, performance*)
- Can rich nations help poor nations? (*north vs. south*)

Market Led Economy is most in accord with Catholicism

(CA: 40-43, CV: 41-42)

While not perfect, a Free Market economy has the best possibility for *ensuring* freedom and human dignity, *increasing* wealth for all, *including* more people in the market, and *limiting* the effects of sin, greed, and corruption. It affirms we are responsible for our own development and must use our talents in market opportunities.

A Free Market *disperses power* into the hands of buyers and sellers. Winners and losers are determined by initiative, hard work, and market knowledge, and *risk is assumed by the owner*. Private property and the possibility of profit provide a reasonable promise of prosperity. We are free to choose work and accept the consequences. Helping the poor is an individual free choice.

A Free Market Economy requires accurate attentiveness by owners, customers, and workers to what each needs, what people will buy, for what cost, and the creative use of resources in new ways to make it happen. Market forces demand and can develop a virtuous character, e.g. attentiveness, sociability, orderliness, promptness,, self-discipline, promise-keeping, trustworthiness, transparency, and above all, honesty.

Religion and democracy can modulate sinfulness and greed (CV: 36-38)

In State led economies, a few bad people in the State have the most power to do harm, while a large number of good people in the market have the least freedom to produce something good.

In Free Market led economies, a few bad people in the State have the least power to do real harm, while a large number of good people in the market have most freedom to produce good.

However, the economy alone is not enough to produce moral character. While market forces demand honesty, hard work, discipline, and ingenuity for success, it is actually religion, culture, and strong moral families that directly teach character and virtues for lasting success. They ensure both the market and people remain fair, open, and honest.

Democracy also provides a voice for people that challenges injustice and ensures we have a vote on the quality of our life. We can support candidates and policies that affect wages, pollution, corruption, safety, regulations, lawsuits, and fairness. Our vote can assure the common good, and allows the participation of everyone in the world economy.

An expanding Free Market helps the poor: **SOLIDARITY & SUBSIDIARITY**

While the Church loves the poor it does not love poverty. The poor need to enter the market! This is the best and most dignified solution for global poverty. Solidarity describes the concern and care we have for all people and our desire to work together to solve common problems. Subsidiarity describes the role of each level of society to exercise power proper to itself, e.g. the state does not take over tasks proper to individuals. Rich countries use both Solidarity and Subsidiarity to help the poor enter markets with education in market dynamics, seed money for investment, and laws that allow easy market access and reward intelligent risk. (CV 42, 57-58)

Finding more ways for more people to enter the global market to create more products more efficiently that people want and will buy for lower and lower prices, all under the State that protects the business environment and every one in it with just laws.

Pope Benedict calls for a new “Global Authority” but not a new Global Government to protect the economic process. (CV: 41, 57, CA: 48)

A new “Global Authority” is not a new bureaucracy! The *Principle of Subsidiarity* prevents a global bureaucracy. It is actually more similar to Adam Smith’s “Invisible Hand” that enhances the common good by common ways of promoting self-interest. It affirms there is appropriate work for each level of society, so that higher levels do not take over the work of lower levels nor remove personal responsibility for our development that bureaucracies often do. The *Principle of Solidarity* unites people to work together; similar to the global efforts against terrorism, where sovereign nations use common ideas, like airport screenings, to fight terrorists, just as independent nations might use common free market ideas to grow their economy.

Proper economic role of the State; open access and rule of law.

The State should protect against all enemies, foreign and domestic. Secure rule of law, contracts, job safety, clean environment, open access to markets, (*not equal results*), regulations that enable risk for good return, and regulation stability that enable reasonable predictions of the market future.

However, a State-Led economy improperly centralizes power in a small ruling elite who choose market winners and losers and pass on risk to taxpayers. The State has greater control over private property, profits, and so has more responsibility for providing prosperity, which can too often lead people to passivity. Helping the poor is not our free choice but rather coerced taxes. CV: 23)

What about risk? What happens when a business fails?

Sometimes a business misreads a market with a wrong product and price. A better product may displace it in a kind of “creative destruction, such as cars replacing wagons. If the State ensures a fair environment, then it must also allow companies to rise or fall by the risks they accepted. Bailouts pass on risk to taxpayers.

Redistribution of wealth (Acts 4:33)

The early church voluntarily shared their goods with each other, especially the poor. That is a good thing but very different from compelling the confiscation of goods, even for such a good cause. Can we “take” or tax the wealth of some and give it to others? Who decides how much is taken and to whom it is given? If the State decides, we have no free choice and so merit no virtue for the good accomplished. If the Free Market invites everyone to participate in the economy, we make profits that we can freely use to help the poor, and so merit virtue for the good accomplished.

How should wealth be distributed? (CV: 57-61)

Wealth cannot be distributed so as to make the rich poor! Simply giving away goods is a zero-sum distribution, and simply rearranges wealth without adding wealth. Better to take wealth and start a new enterprise that hires people to produce goods that people buy.

Wealth today is also knowledge of the Free Market. We should distribute knowledge of the market and how to participate! Knowledge is unlimited, never exhausted, and always growing. We should teach everyone to use the gifts of the earth for good! We need wealth *creation* from a growing economy, not wealth *distribution*. A growing economy is not a zero-sum game, but always increasing.

Direct aid helps in emergencies but is no substitute for aid that helps people enter the economy to grow their prosperity. The best help does not create dependencies but enables people to fend for themselves, take intelligent risks, and participate in the global economy to increase their own wealth. The best anti-poverty program is a job.

Jesus the CEO

Wider consequences of economic actions: *Intentions vs. Results*

Everyone wants to help the poor which is a good intention, but good intentions can have bad results. We can have good intentions yet our actions can actually make things worse. For example:

- Raising minimum wage can mean few poor people get hired.
- Controlled rent means landlords cannot maintain buildings.
- Removing certain age limiting labor laws in third world countries can lead to child prostitution or family starvation.

Alternatively, bad intentions (*at first glance*) can have good results. The self-interest of business owners and workers for their families can lead to finding more markets which leads to more jobs for the poor. For example, “it is not from the benevolence of the baker that we get bread, but his self-interest for his family that inspires him to make bread for sale and the State protected business environment of rule of law that frees him to make it in ever more efficient ways.” (*Adam Smith*)

The Free market economy is actually designed with sinners in mind, who even while pursuing their personal self-interest end up serving the common good by providing ever more meaningful jobs and desired products. The State led economies mimic parents who compensate for the different talents of their children and make sure each is well served no matter what the circumstances. However, the economy is for responsible and mature adults and not parent/child relationships.

The Judaeo-Christian tradition has travelled a 4000 year journey through many cultures, governments, and economies. It has first hand experience of both the revelation of God on how we are to conduct our lives and the practical lived experience of understanding how the mind of God can be applied to economic activity. It also has learned what works well and what does not!

Summary: the sequence of Catholic Economic Ideas

1. God creates us in His image to freely use all of creation and to creatively add value to it for the common good. The common good is that which enables us to develop as God created us. We cannot pass this responsibility on to others or the State.
2. Adam welcomes Eve. (**Gen. 2:23**), and so we welcome all people as gifts from God to use who they are, what they have, and all creation for a good purpose. This “Pro-Life” view welcomes everyone to be born and enter the “free market” of human interactions, which enhance our God-given freedom, responsibility, accountability, and dignity that is common to every culture in every time and place, but also mitigates sinful and corrupt behavior better than any other economic system.
3. Sin predates any economic system and sin is the cause of poverty and so much suffering in the world. The sin of Adam and Eve was selfishness and it is the root of all sin today.
4. We participate in the economy and save our job when we inventory and then take hold of our skills and demonstrate how we add value to the economic enterprise.
5. The local company has become global with the division of labor and customers spread over the world, creating the most effective anti-poverty program in history.
6. Free Market activity requires the State to ensure the fair environment of private property, the Rule of Law, and peace, but not to ensure economic results.
7. A democratic government and free market economy has the best chance of limiting sin, greed, and corruption and the best chance of producing more and more jobs; **and a job means a family, and a family is the basis for the Church and a well ordered , peaceful, and prosperous society.**

Resources

All papal documents are available at the Vatican website, vatican.va. All other resources are available at amazon.com or barnesandnoble.com

1. **Centesimus Annus**, by Pope John Paul II (vatican.va)
2. **Caritas et Veritate**, by Pope Benedict XVI (vatican.va)
3. **Building the Free Society**, *Democracy, Capitalism, & Catholic Social Teaching*, by George Weigel
4. **Doing well and Doing Good**, *the challenge to the Christian capitalist*, by Fr. Richard J. Neuhaus
5. **The Entrepreneurial Vocation**, by Fr. Robert Sirico
6. **The World As It Could Be**, *Catholic social thought for a new generation*, by Fr. Thomas Williams
7. **The Catholic Ethic & Spirit of Capitalism**, by Michael Novak
8. **Entrepreneurship and the Catholic Tradition**, by Thomas Woods
9. **The Church & the Market**, by Anthony Percy
10. **And Why Not?** by Françoise Michelin
11. **Business Ethics**: Chapter excerpt from "**Don't Tell Me What to Do!** A Catholic understanding of modern moral issues, by Fr. Dave Heney (daveheney@stpascal.org)